



AGENDA REPORT

Date: August 29, 2017

To: City Manager for Council Action

From: Director of Community Development

Subject: Early Consideration of Proposed General Plan Amendment Application for the Property Located at 2780 El Camino Real [PLN2017-12669]

EXECUTIVE SUMMARY

Per City Council Policy (Early Consideration Policy for General Plan Amendment Applications), all new requests for a General Plan Amendment shall be brought to the City Council for early consideration within three months of the application being formally submitted and following initial staff review and public outreach. The Council may either direct staff to continue processing the General Plan Amendment or make a determination that the requested Amendment is inconsistent with the goals and policies of the General Plan and that further review is not warranted. In the latter case the application will be closed out and the applicant can avoid the full costs of further processing.

On June 6, 2017, Prometheus Real Estate Group ("Prometheus") filed a project application to amend the General Plan for the property located at 2780 El Camino Real from Regional Mixed Use to Medium Density Residential. The proposed amendment would change the land use designation for the site from mixed use, which requires commercial development at a minimum commercial floor area ratio (FAR) of 0.15 and residential development at 37 to 50 units per acre, to residential development only at 20 to 36 units per acre. Subsequent applications by Prometheus were filed on June 27, 2017 to rezone the property from Community Commercial (CC) to Planned Development (PD) to construct 58 townhomes, at 20 units per acre, and subdivide the property into individual for-sale lots and a common lot to serve the development with a Tentative Subdivision Map [PLN2017-12712 and PLN2017-12713].

Staff is recommending that the City Council direct staff to continue processing the subject General Plan Amendment application. Based on preliminary analysis and community input, the proposal would potentially be consistent with the City's overall objectives for redevelopment of the El Camino Real corridor, supporting an appropriate transition between higher density development along El Camino Real and the lower density residential development existing to the south of the project site. While the City is moving forward with the preparation of a Specific Plan for the El Camino Real corridor, that process is anticipated to consider refinements of the existing planned development densities to improve the interface with adjacent residential neighborhoods, similar to what could be accomplished through the proposed Amendment. Further, preliminary community outreach suggests that the proposed density is supported by the community and that similar input would be gained through the Specific Plan process. If the project is allowed to continue processing, staff will also review opportunities for retaining a significant commercial presence, placemaking, and housing production on adjacent properties within the corridor and evaluate how the project site would relate to those objectives.

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ADVANTAGES AND DISADVANTAGES OF ISSUE

Allowing the proposed General Plan Amendment to proceed would facilitate near term production of housing (anticipated to be for-sale townhouse development) on the project site, consistent with community input. Alternatively, early denial of the proposed Amendment would reinforce the City's commitment to use of the El Camino Real Specific Plan process as the means of refining or affirming the current General Plan land use designations within the El Camino Real corridor and could result eventually in higher density mixed-use development of the property.

ECONOMIC/FISCAL IMPACT

There is no cost to the City other than administrative staff time and expense. Staff costs associated with review of the proposed General Plan Amendment are recovered through application fees paid by the project applicant.

RECOMMENDATION

That the Council direct the City Manager to continue processing the General Plan Amendment Application for 2780 El Camino Real [PLN2017-12669].



Andrew Crabtree
Director of Community Development

APPROVED:



Rajeev Batra
City Manager

Documents Related to this Report:

- 1) *Community Meeting Notifications*
- 2) *Development Plans*
- 3) *Early Consideration Policy for General Plan Amendment Applications*

BACKGROUND

On May 16, 2017, Council adopted the Early Consideration Policy for General Plan Amendment Applications, setting forth the process for Council review of formally submitted General Plan Amendment applications and whether the applications should continue processing or whether the application should be denied prior to significant investment in time and cost by the project proponent and the public's time tracking and commenting on the project proposal.

PRELIMINARY DEVELOPMENT PROPOSAL & BACKGROUND

On April 11, 2017, Prometheus filed a preliminary application to redevelop the property at 2780 El Camino Real, currently occupied by a vacant bowling alley, to a 58 unit townhome development. The application was submitted following the withdrawal of a project proposal by Prometheus to construct a 158 unit multi-family residential development on the project site involving applications for a General Plan Amendment from Regional Mixed Use to High Density Residential and rezone from Community Commercial (CC) to Planned Development (PD). Prometheus withdrew the project at the Council meeting on February 21, 2017 in response to public comments and opposition to the proposed density and height of the development over a series of community and public meetings.

Following submittal of the preliminary proposal for development of 58 townhome units on the site, Prometheus and the City conducted a community meeting at the Redwood Room of the Central Library, from 6:00 p.m. to 8:00 p.m. on April 19, 2017 to present the revised proposal to the public and engage community input. Public notice of the meeting was mailed to property owners within 1,000 feet of the project site and posted on the City's Community Meetings webpage. The meeting was attended by 41 neighbors and interested individuals. The comments received at the meeting were supportive of the lower density and number of units being proposed for the site. While one individual preferred single family detached homes at 10 units per acre (29 units) to be developed on the site, those in attendance generally supported the proposed townhouse project. Those providing comments were supportive of no retail on the site, stating that the property is a bad location for retail, and preferred ownership housing, as proposed, rather than rental housing. Other comments included: concerns for providing adequate guest parking on-site; maintaining sufficient setbacks from the existing neighboring residences to protect and provide privacy; and support for hiring union labor.

The preliminary proposal, consisting of a conceptual development plan illustrating the site circulation, building layout, on-site parking and open space, was reviewed by the City's Project Clearance Committee on May 2, 2017. Comments generated by staff on the preliminary proposal centered on the City's Early Consideration Policy site planning for private and shared common space, emergency vehicle access, building orientation and transitions, tenancy, street widths, and the identification of plan elements necessary for submittal of a project application.

DEVELOPMENT PROPOSAL & GENERAL PLAN APPLICATION

While the General Plan Amendment would not determine a specific project, the applicant has demonstrated an intent to develop a particular type of project on the site, as evidenced by the concurrent submittal of preliminary review, Rezone and Tentative Parcel Map applications. Townhouse development, as depicted in those applications, would be consistent with the density requested through the proposed General Plan Amendment, but inconsistent with the existing General Plan designation for the subject property.

The development proposal necessitating the General Plan Amendment, Rezone and Tentative Parcel Map applications involves the demolition of the existing Moonlite Bowling Lanes and surface parking lot to construct 58 townhomes, a private street, and site improvements. The proposed townhomes are three-story structures consisting of nine buildings arranged in clusters of four to seven units per building. There are four unit types, each with an attached side by-side garage or tandem garage as follows:

Unit Type	Living Area (sq.ft.)	Bedrooms/Baths	Garage Area (sq.ft.)	Garage Type
Unit 1	1,297	2 / 2	582	tandem
Unit 2	1,816	3 / 2.5	586	side-by-side
Unit 3	1,821	3 / 3.5	585	side- by-side
Unit 4	1,979	4 / 3.5	474	Side-by-side

The building clusters are separated by shared landscaped open space fronting each cluster and driveway aisles or private street serving the rear of each unit. Building setbacks from neighboring residential development abutting the project site range from 13 feet to 22 feet in width and are designed as landscaped buffers and utility and access easements. A single driveway along Kiley Boulevard provides access to and from the site. An emergency vehicle access driveway provides secondary access to the site along the existing alley bordering the site to the north. In addition to garage parking associated with each unit, there are 20 guest parking spaces provided along the private street for shared visitor parking.

EARLY CONSIDERATION POLICY ELEMENTS

Public Outreach

In accordance with the Early Consideration Policy, a noticed community meeting was conducted to present the development proposal to neighbors and interested parties and engage public input following submittal of the above project applications. The meeting was held in the Margie Edinger Room at the Central Library from 6:00 p.m. to 8:00 p.m. on July 12, 2017. Public notice of the meeting was mailed to property owners within 1,000 feet of the project site and posted on the City's Community Meetings webpage. The meeting was attended by 31 neighbors and interested individuals. The discussion encompassed the evolution and background of the project; existing traffic and retail conditions in the surrounding area; and questions and answers on project specific design details and provisions regarding parking, unit types, building setbacks, architecture, private open space, fire access and service, ownership, affordability, long term maintenance of the property, school accommodations, and timing of construction. A recommendation was made by one participant that the front units facing Kiely Boulevard should be identified for commercial use, such as live/work lofts. This raised concerns among other individuals regarding parking for retail and potential for off-site consequences of commercial parking in front of neighboring residences. Most in attendance were neutral regarding the provision of retail on-site, as required under the existing General Plan designation, while a few conveyed their desire to see retail as part of the project proposal and a few indicated that they did not want retail on the site. At the close of the meeting, John Moss of Prometheus asked whether those in attendance liked the project. While one individual stated a dislike for the project, the remaining individuals expressed positive opinions of the project.

Project Clearance Committee Review

The project was reviewed by the City's Project Clearance Committee for the General Plan Amendment on July 5, 2017 and the Rezone and Tentative Subdivision Map applications on July 11, 2017, in conformance with the Early Consideration Policy and planning process procedures. The plans submitted for project review provided greater detail, having incorporated the comments received from the preliminary review submittal, and included civil, architectural, and landscape drawings. The comments generated from the two meetings focused on fire access and service, utility easement provisions and locations, common and landscaped open space, building setbacks and transition, plan detail revisions, and identification of elements and information necessary for preparing a complete application.

Major Strategies Analysis

Major Strategies are the basis for the goals and policies in the General Plan. Developed through the community planning process in 2008, their purpose is to identify community interest and civic priorities at the macro-level and set the framework for decision-making for future growth and development in the City. The seven major strategies are as follows: 1) Enhance the City's High Quality of Life; 2) Preserve and Cultivate Neighborhoods; 3) Promote Sustainability; 4) Enhance City Identity; 5) Support Focus Areas and Community Vitality; 6) Maintain the City's Fiscal Health and Quality of Services; and 7) Maximize Health and Safety Benefits.

The intent of the Early Consideration Policy is to examine a proposed General Plan Amendment at the project level in relation to the Major Strategies of the General Plan. The proposed General Plan Amendment from Regional Mixed Use to Medium Density Residential would enhance the City's high quality of life, preserve and cultivate neighborhoods, promote sustainability, maintain the City's quality service, and maximize health and safety benefits in that:

- The proposal is to redevelop an existing underutilized commercial property with construction of 58 townhomes with private and shared landscaped open space, and a private street.
- The proposed residential units are three-stories in height to transition between the adjacent one and two-story residential neighborhoods to the south and east and the existing commercial shopping center to the north.
- The project would provide home ownership opportunities and contribute to the City's housing stock in addition to providing for the development of affordable units in accordance with the City's Inclusionary Housing Policy and/or Affordable Housing Impact Fee.
- The proposed density and product type are the result of public input provided at neighborhood community meetings and public hearings for redevelopment of the site.
- Long term maintenance of the property (buildings, common area, landscaping, private street, on-site utilities, fencing, etc.) would be governed by Covenants, Conditions and Restrictions through a Homeowner Association.
- The project site is in a location that would allow future residents of the project to take advantage of the proximity and connectivity to adjacent commercial uses, local and regional transit services, schools, and parks and community facilities.
- The proximity and connectivity to a variety of land uses and services provide opportunities to reduce vehicle miles travelled, traffic impacts, and energy demands otherwise associated with higher density development.
- The project site is served by existing municipal services and the developer would upgrade and extend existing utilities on-site as required to serve the development.

The proposal would potentially not support focus areas and community vitality or the City's fiscal health in that:

- The project site has a General Plan designation of Regional Mixed Use and is located in the El Camino Real Focus Area. This Focus Area is intended to concentrate higher-intensity commercial and residential development at key intersections. The proposed General Plan Amendment would remove the commercial requirement of 0.15 FAR from the site (totaling 18,756 square feet) and lower the density range for residential from 37 to 50 units per acre (equaling 106 to 144 units) to 20 to 36 units per acre (equaling 57 to 103 units).
- Tax revenue generated by the density and type of development proposed with the General Plan Amendment would be less than the revenues generated and benefited to the City's General Fund with redevelopment of the site as Regional Mixed Use.
- The proposal would not provide community amenities and services on-site for public use.

In conclusion, the project has the potential to diminish the City's ability to concentrate new housing and commercial development along the El Camino Real corridor as envisioned in the General Plan, but alternatively would advance the City's objective of creating compatible interfaces between new and existing development. It may be possible for the City to achieve both goals (for example, it may be possible to increase commercial and residential densities on the adjoining property to the north) or, the proposed Amendment may be found, after analysis, to be generally consistent with General Plan goals and policies, and therefore further analysis of the proposed General Plan Amendment is warranted.

AMF MOONLITE LANES BOWLING ALLEY
REVISED DEVELOPMENT PROPOSAL

COMMUNITY MEETING INVITATION

Neighborhood/Community Outreach Meeting

Please come and learn more about the proposed new plan, share your feedback and ask questions.

Wednesday evening, April 19, 2017 from 6pm-8pm

The Redwood Meeting Room at Central Library 2635 Homestead Road, Santa Clara, CA

If you plan to attend, an RSVP to Tracy Hsu by phone at 650.931.3520 or via email at thsu@prometheusreg.com, is greatly appreciated.



The revised development proposal consists of 58 for-sale townhomes on the approximately 2.86 acre site.

Light refreshments will be provided. We look forward to meeting you and hearing your feedback.

Please contact Marilyn Ponte @ 650.931.3499 or mponte@prometheusreg.com with any questions.

AMF MOONLITE LANES BOWLING ALLEY
REVISED DEVELOPMENT PROPOSAL

COMMUNITY MEETING INVITATION

Please come and learn more about the General Plan Amendment from Regional Mixed-Use to Medium Density Residential to reduce residential density from 37-50du/acre to approximately 20du/acre and remove the commercial development requirement for the property.

City planning staff will be present and available to respond to questions.

Wednesday, July 12, 2017 6p-8p

The Margie Edinger Room at Central Library 2635 Homestead Road, Santa Clara, CA

If you plan to attend, an RSVP to Tracy Hsu by phone at 650.931.3520 or via email at thsu@prometheusreg.com, is greatly appreciated.



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**MOONLITE LANES**

IN SANTA CLARA, CA
BY PROMETHEUS REAL ESTATE GROUP, INC.



Civil
Engineering
Associates



A.01
DATE 07-10-2017



ENTRY
PERSPECTIVE 1

MOONLITE LANES
IN SANTA CLARA, CA
BY PROMETHEUS REAL ESTATE GROUP, INC.



Civil
Engineering
Associates



A.03
DATE 07-10-2017



PASEO
PERSPECTIVE 2

MOONLITE LANES
IN SANTA CLARA, CA
BY PROMETHEUS REAL ESTATE GROUP, INC.



Civil
Engineering
Associates



A.04
DATE 07-10-2017



**City of
Santa Clara**
The Center of What's Possible

Community Development Department

Early Consideration Policy for General Plan Amendment Applications

PURPOSE / INTENT

The Early Consideration Policy provides an opportunity early in the application process for the City Council to review and comment on whether a proposed General Plan Amendment should continue through with a complete application process or whether the request should be denied.

This Early Consideration Policy provides an opportunity for the City Council to review proposed General Plan Amendments prior to the significant investment in time and cost by the applicant and City staff required to complete the full review process. Additionally, the early consideration can save the public time that they would otherwise spend tracking and commenting on the proposal, and it can provide clarity for future applicants on the types of land use conversions that would generally not be supported by the City Council.

APPLICABILITY

The Early Consideration Policy is utilized for all formally submitted General Plan Amendment applications. A formal General Plan Amendment application submittal is required; preliminary review applications will not go through the early consideration process.

TIMING / PROCESS

Following submittal, at least one community meeting would be conducted for the project and the project would be evaluated by the Project Clearance Committee (PCC) before the Council's early consideration of the request. If a community meeting was recently conducted for the General Plan Amendment request, said community meeting may, at the discretion of the Director of Community Development, substitute for the community meeting for the formal application.

Staff will prepare a report for Council's consideration that summarizes the community feedback received to date, significant concerns stemming from the PCC review, an initial analysis of the General Plan Amendment's consistency with the General Plan Major Strategies, and a recommendation as to whether the application should be allowed to proceed through a full Planning review.

The City Council's early consideration of the General Plan Amendment request will typically be conducted within ninety (90) days of the General Plan Amendment submittal.

Early Consideration Policy for General Plan Amendment Applications

OUTCOMES

Through the Early Consideration Policy, the Council can direct staff to continue processing the application or the Council can preemptively deny the proposed General Plan Amendment request as inconsistent with the City's General Plan goals and policies.

Should the City Council provide direction to continue processing the application, staff would complete the review process for the proposed General Plan Amendment, including environmental analysis of the proposed project consistent with the California Environmental Quality Act (CEQA). Upon completion of the City's review and the necessary CEQA documentation, the proposed General Plan Amendment would proceed with the standard public hearing process with a presentation to the Planning Commission for recommendation and to the City Council for a decision. At that time, the City Council would determine whether to approve or deny the request. Should the Council's vote to have the application proceed through the full review process, said action in no way obligates or commits the Council to ultimately approve the proposal.

Should the City Council preemptively deny the proposed General Plan Amendment during the Early Consideration Policy, the site would retain its current General Plan Land Use designation, and partial refund of the application fees would be provided based on the work completed, staff time, and other City expenses to date.